

These notes refer to the National Health Service Reform and Health Care Professions Act 2002 (c.17) which received Royal Assent on 25 June 2002

NATIONAL HEALTH SERVICE REFORM AND HEALTH CARE PROFESSIONS ACT 2002

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1 – National Health Service, etc.

Financial arrangements: England and Wales

Section 7: Funding of Strategic Health Authorities and Health Authorities

63. *Section 7(2)* inserts a new subsection into section 97 of the 1977 Act to provide for the funding of Strategic Health Authorities. It mirrors the existing provision for the funding of Special Health Authorities.
64. *Sections 7(3), 7(4) and 7(5)* relate to performance payments and add Strategic Health Authorities to the existing provisions of section 97.
65. *Sections 7(6), 7(7)(a) and 7(9)* add Strategic Health Authorities to the existing provisions of section 97 for the funding of HAs. They cover respectively: the variation of allotments in the course of a year; the earmarking of allotments for a particular purpose, and the payment of capital charges; and the keeping of records. *Section 7(7)(c)* omits the existing provision concerning sums paid by PCTs to HAs in respect of capital charges. The revised section 97C(8)(b) inserted by *section 8* provides for PCTs to pay these sums direct to the Secretary of State.